### CERTIFICATE

To The Honorable Belle Reeves Secretary of State State of Washington Olympia

THIS IS TO CERTIFY That the within Rules and Regulations being entitled:

TITLE I. - GENERAL - APPLICABLE TO ALL LICENSEES

TITLE II. - RETAIL BEER AND/OR WINE DISPENSARIES

TITLE III. - EREWERS, BEER WHOLESALERS, BEER IMPORTERS
AND HOLDERS OF CERTIFICATE OF APPROVAL

TITLE IV. - DOMESTIC WINERIES AND DOMESTIC WINE WHOLESALERS

TITLE V. - FRUIT DISTILLERS

TITLE VI. - RECTIFIERS

TITLE VII. - LIQUOR IMPORTERS, PUBLIC STORAGE WAREHOUSES

AND IMPORTATION OF LIQUOR

TITLE VIII. - CLUBS

TITLE IX. - ADVERTISING

were adopted by the Washington State Liquor Control Board on the day of September, 1939, to become effective the 1st day of October, 1939.

IN WITNESS WHEREOF the Washington State Liquor Control Board has caused its hame to be hereunto subscribed and its seal affixed, this /3 day of September, 1939.

WASHINGTON STATE LIQUOR CONTROL BOARD

L. E. Gregory - CHAIRMAN

ATTEST:

Jay Grigsby - Secretary

CASE NO. CO4-0360P (1) License Does Not Grant Vested Right.

The issuance of any license by the board shall not be construed as granting a vested right in any of the privileges so conferred, and a mis-representation of fact found to have been made by the applicant shall be deemed a lack of good faith and shall constitute good and sufficient cause for the disapproval of such application or the revocation or suspension of said license by the board.

- (2) Licenses Displayed on Premises: Exception.
- All licenses (except certificates of approval and agents' licenses)
  shall be framed under glass and prominently displayed on the licensed premises.
- (8) No Prorating License Fee.
  There will be no prorating of any license fee.
- (4) Refund Fees Surrender of License.

Upon denial or withdrawal of an application for license, adoption or change of trade name, or change of location, the fee tendered therewith shall be returned. When a license is suspended or cancelled, or the licensed business is discontinued, no refund of the license fee shall be made. Upon discontinuance of business by a licensee, he shall forthwith deliver up his license to the board.

(5) Loss or Dostruction of License - Fee.

Upon the loss or destruction of any license (except agents) a duplicate thereof may be issued upon making proof thereof upon forms furnished by the board. Fee for such duplicate license shall be five dollars (\$5.00).

(6) Reath, Etc., of Licensee.

In the event of the incapacity, death, receivership or bankruptcy of any licensee, his guardian, executor, administrator, receiver or trustee in bankruptcy, may, upon written authority from the board, continue the business of the licensee on the licensed premises for the duration of the license,

liquor, or any premises used in the manufacture, storage or sale of liquor, or any premises or parts of premises used or in any way connected physically or otherwise with the licensed business, shall at all times be open to inspection by any authorized inspector of the board.

(1!) Taking Samples Peer or Wine.

therefor, at any time, take for the purpose of analysis a sample of any beer or wine manufactured, or of any beer or wine offered for sale at the marchouse or place of business of a manufacturer, beer importer, whole-sales or retailer.

(16) do feer or Wine felivered on Sunday.

the manufacturer or wholesaler shall deliver beer or wine to any retail licensee between addnight on Saturday and midnight on Sunday; nor shall any retail licensee receive or accept delivery of any beer or wine from any manufacturer or wholesaler between midnight on Saturday and midnight on Saturday and midnight

Contracts Prohibited.

sels restrictivenese whereby such licensee

(is) Cirts to Retailers Prohibited: " and Indication on Research of Fire

(a) No manufacturer, wholesaler, or beer importer shall, directly or indirectly, solicit, give or offer to any retail licensee or any employee thereof any lifts, discounts, loans of soney, prepiuse, relates, free beer or wine, treats, or property or services of any nature whatsometall any retail licensee or any employee thereof, directly or like a receive from any manufacturer, wholesaler or beer

ing payment of money for wine or beer other than by check, shall be likewise preserved for two years and shall be at all times kept available for inspection and checking.

### (41) Cash Purchases - Exception.

No retail licensee shall buy or accept delivery of beer or wine except for cash paid at the time of, or prior to, the delivery thereof:

Provided, That credit not to exceed thirty (30) days may be received by railroads holding licenses under section 25-L of the Washington State Liquor Act.

- (41-A) Change of Business Activities Alteration of Premises Prohibited.
- (a) No business or activity shall be conducted by the retail
  licensee, nor permitted by the retail licensee to be conducted, upon the
  licensed retail premises other than such businesses and activities as
  are being conducted upon the licensed retail premises at the time the.
  retail license is issued; nor in any event shall any business or activity
  be conducted upon the licensed retail premises either by the licensee or
  any other person, firm or corporation (except licensed clubs), unless such
  business or activity be open to the general public; nor shall the licensed
  retail premises be used as a means of ingress and/or egress to another
  business activity: Provided, however, That changes in the business or
  activities conducted on the licensed retail premises may be made by and
  with the consent of the board first had and obtained.
- (b) No retail licensee holding an on-premise beer or wine license shall make any alterations in the physical setup or arrangement of the licensed retail premises without the consent of the board first had and obtained.

- (48-A) Beer Wholesalers and Importers Reports Stamps.
- (a) All beer wholesalers and beer importers who during any month have received, handled or had on hand at the end of such month any beer received by them with "beer in transit" stamps only affixed to the package or container, and to which the brewer had not affixed "beer revenue" stamps, shall on or before the tenth day of the succeeding month furnish to the board a report, upon forms prescribed or furnished by the board, showing the disposition of all such "beer in transit" stamped beer, and if experted from the state, the name and address of the person to whom experted. Such report shall also show the number, type and size of all padiages and containers respectively, and, if sold to licensees, shall show the facts as to the affixation of "beer revenue" stamps.
- (b) All beer wholesalers and beer importers who during any month shall have procured "beer revenue" stamps from the board, or who shall have had "beer revenue" stamps on hand at any time during such month, shall on or before the tenth day of the succeeding month furnish to the board a report, upon forms prescribed or furnished by the board, showing the amount of "beer revenue" stamps on hand at the beginning of the month, the amount procured from the board during such month, and the amount on hand at the end of such month. Such report shall also show the disposition made during such month of any "beer revenue" stamps and the number, type, size and disposition of the packages or containers to which the same were affixed.
- (49) Beer Price Posting Filing Contracts.
- (a) Price Posting. Within the meaning of this regulation, the term "zone" shall mean such "zones" as shall from time to time be fixed and adopted by the board as trade areas within and for which price postings shall be made and filed as in this regulation provided.

or imported by such beer importer shall be sold in each and every sone, which prices shall be uniform for all retail licensees in any particular some. All price postings shall be made upon forms prepared and furnished by the board and shall set forth:

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- (1) All brands, types, packages and containers of beer offered for sale by such breser or beer importer.
- (2) The delivered sale prices thereof to retail licensees within each and every sone, including allowances, if any, for returned empty containers.

No beer wholesaler shall sell or offer to sell any package or container of beer to any retail licensee at a price differing from the price for such package or container as shown in the price posting filed by the brewer manufacturing such beer or by the beer importer importing such beer and then in effect.

No price posting shall become effective until ten days after the actual filing thereof with the board.

No price postings involving quantity discounts shall be made.

(b) Filing Contracts. Every licensed brewer shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such brewer may have with any beer wholesaler handling beer manufactured by such licensed brewer, which contracts or memorandums shall contain all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified the changed or modified contracts or memorandums shall forthwith be filed with the board.

Every beer importer shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral contain all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified the changed or modified contracts or memorandums shall forthwith be filed with the board.

No licensed brewer shall sell beer manufactured by such brewer to any beer wholesaler until copies of such written contracts or memorandums of such oral agreements with such wholesaler are on file with the board.

No beer importer shall sell any beer imported by such importer to any person whatsoever until copies of such written contracts or memorandums of such oral agreements with the out-of-state brewer manufacturing such beer are on file with the board; nor shall any beer importer sell any beer importer by such importer to any beer wholesaler until copies of such written contracts or memorandums of such oral agreements with such beer wholesaler are on file with the board.

- (c) All price postings, contracts and memorandums filed as required by this regulation shall at all times be open to inspection to all trade buyers within the State of Washington and shall not within any same be considered confidential.
- (d) Any provision of this regulation may by order of the board be suspended or modified without notice to meet emergencies.
- (50) Bad Order Claims.

Rad order claims shall be made, adjusted and record thereof preserved as follows:

- (1) No bad order claim shall be allowed except by a brewer or beer importer;
  - (2) No bad order claim shall be accepted unless the same shall be

- (2) Vesuels engaged in interstate commerce and operating on regular schedules.
- (8) Vessels commonly knows as "tramps," engaged in interstate and/or fereign commerce but not operating on regular schedules and taking cargo when and where it offers and to any port.

Beer may not be sold direct by beer wholesalers to any other class of boat or vessel unless the boat or vessel is in possession of a proper retail license.

### (M-A) Cash Sales - Exception.

No beer wholesaler nor brewer or beer importer holding a beer wholesaler's license shall sell or deliver beer to any retailer except for each paid at the time of, or prior to, the delivery thereof: Provided, That credit not to exceed thirty (50) days may be extended to railroads holding licenses under section 25-L of the Washington State Liquor Act.

# (52) Feer Importers - Principal Office.

Each beer importer shall keep the board informed at all times of the location of the principal office required by section 28-6, subdivision (2) of the Washington State Liquor Act and shall, not less than two days prior thereto, notify the board in writing or by telegraph of any change in the location of such office.

# (55) Beer Importers - Warehouses.

Beer importers maintaining warehouses at which beer imported by such importer is stored shall at all times keep the board advised of the location of such warehouse.

# (54) Imported Beer - List Filed - Labels.

Each beer importer shall at all times keep on file with the board a list showing all beers which such importer intends to import, which list shall contain the trade name of the beer, the name of the brewer, and the location of the brewery at which such beer is manufactured. No beer shall be imported until duplicate copies of all beer labels intended

### (59) Eligibility.

No domestic winery license shall be issued to any person, firm or corporation holding a license under subdivision 2, section 25-C, of the Washington State Liquor Act.

#### (60) Sanitation.

Domestic winery premises shall be constructed, kept and maintained in a clean and sanitary condition, and in accordance with such rules and regulations as shall be prescribed by the State Department of Agriculture through the Division of Foods, Feeds, Drugs and Oils, for the sanitation thereof and applicable to the sanitation of such winery premises; and no license shall be issued to a domestic winery until the same has been approved as to sanitation by the Supervisor of Foods, Feeds, Drugs and Oils of the Department of Agriculture of the State of Washington.

#### (61) Premises.

No product shall be sold as domestic wine unless every part and portion of the manufacture thereof was had or done on and within an approved bonded winery premises, established under Federal law and/or regulations: Provided, however, That nothing herein contained shall prevent the sale direct to retail licensees of domestic wines fortified on approved bonded winery premises in accordance with Federal and state law and/or regulations with fruit brandy or wine spirits.

### (62) Formula Filed With Board.

Before any domestic winery shall offer any domestic wine for sale to licensees within the state, such winery shall file with the board the formula used in the manufacture of such wine, which formula shall show the ingredients and proportions thereof used in the manufacture of such wine. The formula so filed shall be held as confidential by the board,

Resp to Costco RFP 2845 in their respective offices for at least two years after each sale, transfer or shipment.

# (76) Domestic Wineries - Wonthly Reports.

Every demestic winery shall, within ten days after the close of each month, furnish to the board, upon forms prescribed and furnished by the board, a statement showing its past month's operations and such other information as the board may require.

# (77) Cash Sales - Exception.

No domestic winery nor domestic wine wholesaler shall sell or deliver any domestic wine to retail licensees, except for cash paid at the time of, or prior to, the delivery of such domestic wine: Provided, That credit not to exceed thirty days may be extended to railroads holding licenses under Section 25-L of the Washington State Liquor Act.

# (78) Domestic Wine Wholesalers - Certain Rights Granted.

Domestic wine wholesalers may sell and export domestic wine from the state, and one domestic wine wholesaler may purchase domestic wine from, or sell domestic wine to, another domestic wine wholesaler.

# (79) Revenue Stamps - Affixation by Wholesaler.

Any domestic wine wholesaler who has purchased domestic wine intended for export, and which domestic wine was received with "wine in transit" stamps only affixed to the packages, cases or containers, and who thereafter desires to sell such domestic wine to retail licensees within the state, may, with the consent of the board first had and obtained, procure from the board proper "wine revenue" stamps and properly affix the same to the bottles or glass containers containing such domestic wine, and cancel such stamps as provided in Regulation (72).

- (80) Domestic Wine Wholesalors Reports Stamps.
- (a) All demestic wine wholesalers who during any month have rereceived, handled or had on hand at the end of such month any demestic
  wine received by them with "wine in transit" stamps only affixed to
  the packages, cases or containers, shall, on or before the tenth day
  of the succeeding month, furnish to the board a report upon forms prescribed or furnished by the board showing the disposition of all such
  "wine in transit" stamped demestic wine, and if exported from the
  state, the name and address of the person to whom exported. Such report shall also show the number, type and size of all packages, cases
  or containers respectively, and if sold to licensees, shall show the
  facts as to the affixation of "wine revenue" stamps.
- (b) All domestic wine wholesalers who during any month shall have produced "wine revenue" stamps from the board, or who shall have had "wine revenue" stamps on hand at any time during such month, shall, on or before the tenth day of the succeeding month furnish to the board a report upon forms prescribed or furnished by the board showing the amount of "wine revenue" stamps on hand at the baginning of the month, the amount procured from the board during such month, and the sacunt on hand at the end of such month. Such report shall also show the disposition made during such month of any "wine revenue" stamps, and the number, type, size and disposition of the bottles or glass containers to which the same were affixed.

# (60) Wine Price Posting.

They domestic winery shall file with the board at its office in the price posting" showing the delivered prices at which the shall branch of wine offered for sale by such domestic winery with branch to retail licensees within the state, which prices shall be a price posting and the state of the board and furnished by the board and state as the state of the board and state as the state.

which bottles or glass containers shall be limited to the sizes permitted in Regulation (66).

(b) The delivered sale prices thereof to retail licensees within the state, including allowances, if any, for returned empty bottles or glass containers.

No domestic winery nor domestic wine wholesaler shall sell or offer for sale to any retail licensee any bottle or glass container of domestic wine at a price differing from the price for such bottle or glass container of domestic wine as shown in the price posting then in effect filed by the domestic winery whose label appears on such bottle or glass container.

No price posting shall become effective until ten days after the actual filing thereof with the board.

No price posting involving quantity discounts shall be made.

All price postings filed as required by this regulation shall at all times be open to inspection to all trade buyers within the State of Washington and shall not in any sense be considered confidential.

(82) Contracts - Domestic Wineries - Wholesalers - Eust be Filed.

Every domestic winery shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such domestic winery may have with any domestic wine wholesaler relating in any way to the sale, transfer or delivery of wine by such domestic winery to such domestic wine wholesaler. Such written contracts and memorandums of oral agreements so filed with the board shall cover all the following matters relating to the sale, transfer or delivery of domestic wine by such domestic winery to such domestic wine wholesaler, namely: All terms of sale, including sale price by brand, type and size of bottle or glass container; all freight allowances, trade allowances, sales allowances, and